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BCStats

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 11-14 April 8th, 2011

- **Unemployment rate falls to 8.1% in March as participation rate declines**
- **Value of building permits jumps 11.3% in February**
- **Cell phone use in BC households among the highest in the country**

## Labour Force

- **British Columbia's unemployment rate dropped to 8.1% (*seasonally adjusted*) in March.** The change in the jobless rate was primarily driven by a notable decline (-0.6%) in the number of people who were either working or looking for work, but a slight increase in employment (+0.2%) also contributed.

  Employment in the goods sector increased (+1.4%) in March, albeit at a slower pace than in the previous month. Although there were only slightly more jobs in manufacturing (+0.3%), increases in the number of people working in agriculture (+1.8%) construction (+2.0%) and utilities (+10.5%) bolstered employment for the goods sector as a whole. The number of jobs in forestry, fishing & mining remained virtually unchanged.

  Meanwhile, service-sector employers pared down their workforce (-0.2%). Job losses were widespread, with finance, insurance & real estate shedding 2.3% of its workers, while business, building & support services (-2.8%) and public administration (-1.6%) also cut back. On the other hand, gains in accommodation & food (+2.5%) and professional, scientific & technical (+1.7%) services moderated overall losses. *Data Source: Statistics Canada*

- **Job gains were concentrated in the private sector, where employment climbed 0.7% (*seasonally adjusted*) in March, marking the first increase since November of 2010.** At the same time, the number of public sector jobs fell 1.3%. On the whole, full-time employment inched down 0.2% but there were 1.4% more people with part-time jobs.

  The youth unemployment rate climbed for the fourth straight month (+0.7 percentage points to 15.2%), while the jobless rate for more experienced workers (aged 25 and over) dipped to 6.9% (-0.9 points). *Data Source: Statistics Canada*

- **Among the province's regions, unemployment rates ranged from 7.6% (*3-month moving average, unadjusted*) in Cariboo to 9.4% in Thompson/Okanagan.** The number of people working in Mainland/Southwest (+1.3%) was up compared to March of 2010, while employment in Vancouver Island/Coast slumped (-2.5%) for the tenth consecutive month. *Data Source: Statistics Canada*

- **Canada's unemployment rate edged down (-0.1 percentage points) to 7.7% (*seasonally adjusted*) in March.** Saskatchewan (5.2%) boasted the lowest unemployment rate, while Newfoundland & Labrador recorded the highest (12.4%). Although BC's jobless rate was down in March, it remained the highest of the western provinces. Employment change was minimal across the country.
  *Data Source: Statistics Canada*

## The Economy

- **The value of building permits issued by municipalities in BC totalled $631 million in February, up 11.3% (*seasonally adjusted*) from the previous month.** The non-residential sector (+54.4%) surged, led by a whopping 173.9% jump in institutional permits. Planned spending was also notably higher in the commercial (+19.7%) and industrial (+83.2%) sectors. The value of residential permits was

Report **Room Revenues 2010: The Year in Review**

**Did you know...**

Two in ten (20%) Canadians who own a mobile device use it to access the Internet

*Source: Ipsos Canada*

unchanged (+0.0%) in February, following a substantial boost in January.

The province's major urban centres experienced growth, led by Abbotsford-Mission, where permits shot up 224.6%. Construction intentions in Vancouver (+1.6%), Kelowna (+5.8%) and Victoria (+10.8%) increased at stable, but more moderate rates.

Nationally, Alberta led the country in growth with a 112.0% surge in the value of building permits in February, but four other provinces also posted increases. Overall strength was moderated by a decline in Ontario (-4.1%), Quebec (-15.8%) and some Atlantic provinces, such that the value of Canadian building permits climbed 9.9% in February.

*Data Source: Statistics Canada*

- **During the first two months of 2011, the value of building permits issued in the province dropped 5.8% below the level recorded in the same period of 2010.** Permits were down in Vancouver Island/Coast (-23.1%), where planned spending on residential (-33.2%), commercial (-53.5%) and industrial (-68.6%) projects plummeted. Overall intentions also declined substantially in Nechako (-83.1%), Thompson/Okanagan (-48.0%), Kootenay (-23.5%) and Northeast (-12.0%). Robust investment intentions in Mainland/Southwest (+10.1%), where most of the province's building activity occurs, and in North Coast (+194.3%) were unable to offset drop-offs in the rest of the province.

*Data Source: Statistics Canada & BC Stats*

## Going Wireless

- **In December 2010, over three quarters (78%) of Canadian households reported having at least one cell phone, up from 74% in 2008.** Among the provinces, the proportion of those reporting at least one cell phone in the household was highest in Alberta (87%), followed by Saskatchewan (83%) and BC (82%). Conversely, householders in Quebec (69%) were the least likely to have a cell phone.

More households also appear to be giving up their landlines altogether in favour of using cell phones as their primary telephone. Nationally, 13% of Canadian households reported relying solely on cell phones at the end of last year, compared to just 8% two years prior. Households consisting of younger adults (between the ages of 18 to 34) were far more likely (50%) to rely exclusively on a cell phone than those comprised of older (aged 55 and up) individuals (4%).

*Data Source: Statistics Canada*

## Family Court

- **In 2009/10, there were over 25,300 family court cases (including divorce, custody and child support) initiated in BC, 2.0% more than in the previous year.** In addition to new cases, courts also process ongoing family cases, or cases initiated in previous years. Overall, family court cases made up more than a third (36%) of all civil court cases in the province in 2009/10. *Data Source: Statistics Canada*

## The Nation

- **Canadian retailers had a relatively strong year in 2010, as retail sales reached $437.5 billion (+5.0% from 2009).** Across all commodity groups, automotive fuels, oils & additives (+15.9%) recorded the most significant increase last year, likely reflecting rising fuel costs. Growth in sales of motor vehicles, parts, service & rentals (+10.2%) was also in double-digit territory, while clothing, footwear & accessories (+7.1%) showed comparable strength. Sport & leisure goods (-3.6%) was the only major commodity group to see sales wane in 2010.

Overall, of every $100 of goods and services purchased in retail stores last year, consumers spent the most on food & beverages ($24), motor vehicles, parts & services ($20) and automotive fuels, oils & additives ($10).

*Data Source: Statistics Canada*

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

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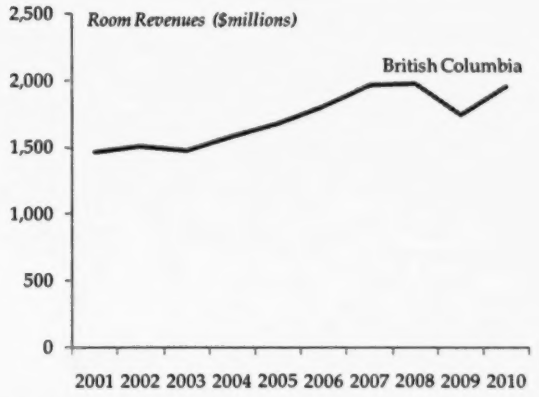
Originally published in *Tourism Sector Monitor*, March 2010

# Room Revenues 2010: The year in Review

## Room revenues

Room revenues in British Columbia surged ahead 12.2% to just under $1.96 billion in 2010, after plummeting by roughly the same rate (−11.8%) a year earlier amid the global recession. However, gains made during 2010 were not distributed evenly at the regional level. While some regions showed a strong rebound, others were characterised by only modest expansion and some showed continued weakness.

*BC's room revenues rebounded in 2010, after dropping sharply one year earlier*

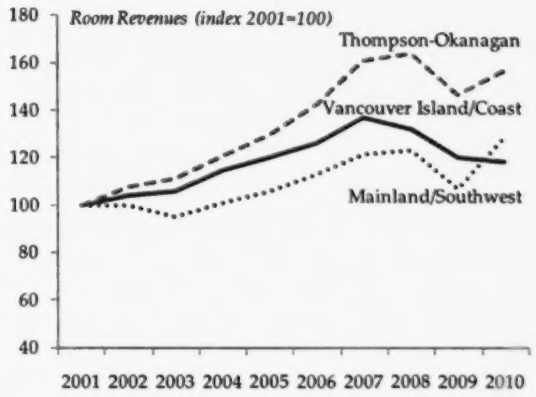



*Data Source: BC Stats*

## Development Regions

In Mainland/Southwest, receipts jumped by one-fifth (+20.3%) in 2010, and both Northeast (+12.8%) and North Coast (+12.6%) also registered strong double-digit gains. Meanwhile, Thompson-Okanagan (+6.8%), Nechako (+5.3%) and Cariboo (+3.9%) all recorded more modest growth in room revenues, recovering at least a portion of the ground lost during the recession in 2009. However, accommodation operators in Kootenay (−2.9%) and Vancouver Island/Coast (−1.2%) saw revenues slide for a third consecutive year.

*In 2010, revenues shot higher in Mainland/Southwest, but continued to weaken in Vancouver Island/Coast*



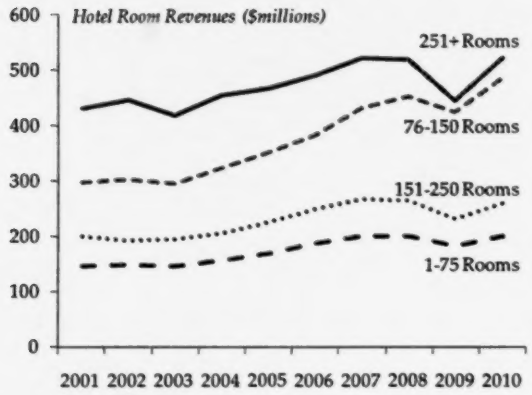

*Data Source: BC Stats*

## Accommodation Types

Revenues for all accommodation types made gains in 2010 compared to the previous year. However, more than any other establishment type, growth in hotel receipts was strongest. After slumping heavily (−10.8%) a year earlier, total hotel revenues shot up 14.6%, accounting for nearly nine-tenths (88%) of the total increase realised at the provincial level. Roughly two-thirds (68%) of hotel room revenues are generated in Mainland/Southwest and therefore the rise in hotel room revenues is mainly reflecting the increased demand for accommodation in that region.

British Columbia's largest hotels (251+ rooms) saw the largest revenue increase in 2010, advancing 17.6% compared to 2009. Large (151-250 room; +12.3%), medium-sized (76-150 rooms; +14.6%) and small (1-75 rooms; +10.5%) hotels also posted double-digit growth.

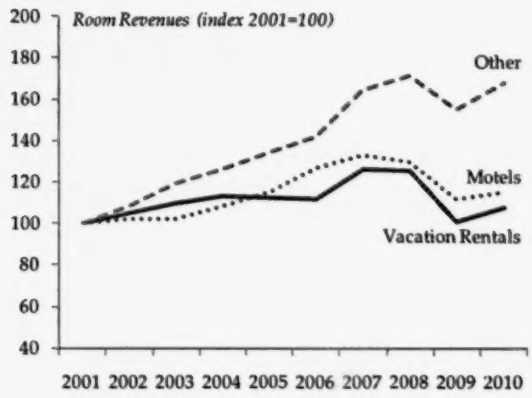
*Hotels of all types recorded a rebound in room revenues in 2010*




*Data Source: BC Stats*

Among the remaining accommodation types, revenues generated by vacation rentals (including campgrounds and work camps) rose moderately (+7.0%) in 2010, after plummeting by nearly one-fifth in the previous year (−19.6%). Motel operators saw a comparatively smaller increase in revenues (+2.9%) during the year. Business at "other" accommodation types (including fishing lodges, resorts and bed & breakfasts) as a group rose 8.7%.

*Vacation rentals and "other" accommodations posted much larger revenue gains than motels*



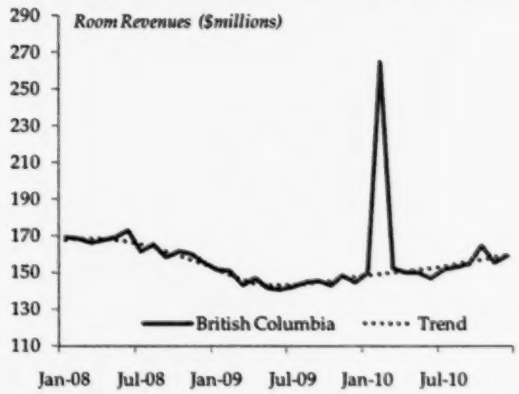

*Data Source: BC Stats*

## The Olympic Effect on Room Revenues

It is not possible to precisely measure the extent to which the Olympics affected room revenues in 2010. However, trend analysis can be used to "smooth out" the jump in revenues that occurred in February.

Based on this analysis, provincial room revenues would have increased a more modest 5.5%, meaning that roughly half of the growth posted for 2010 was due to the increased revenues generated as a result of hosting the Olympics. In Mainland/Southwest, the region where the Olympics were held, based on the same trend analysis, room revenue growth would have been 7.2%, a significant advance to be sure, but considerably lower than the 20.3% expansion realised as a result of the sharp increase measured in February 2010. Hotels, being mainly concentrated in Mainland/Southwest, benefitted the most from the increased demand for accommodation surrounding the Olympics.

*The Olympics held in February 2010 had an enormous effect on room revenues for that year*




*Data Source: BC Stats*

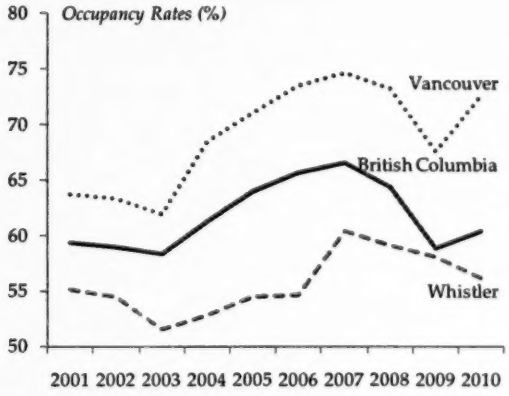
## Hotel Occupancy Rates

Hotel occupancy rates in British Columbia inched ahead 1.5 percentage points to 60.3% in 2010. This increase in the province's hotel occupancy rate

follows back-to-back annual decreases in 2008 and 2009.

During the Olympics, one would expect that hotel occupancy rates would have soared for 2010 as visitors attended the competitions in Vancouver and Whistler. While this was true for Vancouver, where the occupancy data jumped 4.9 percentage points in 2010, the same was not true in Whistler. In Whistler, the hotel occupancy rate had been on the decline since 2008 and despite being host to several venues during the Olympics, the increase in visitors in February was not enough to push occupancy rates higher on an annual basis (-2.0 percentage points).

*In 2010, hotel occupancy rates rose sharply in the Vancouver, but slipped lower in Whistler*

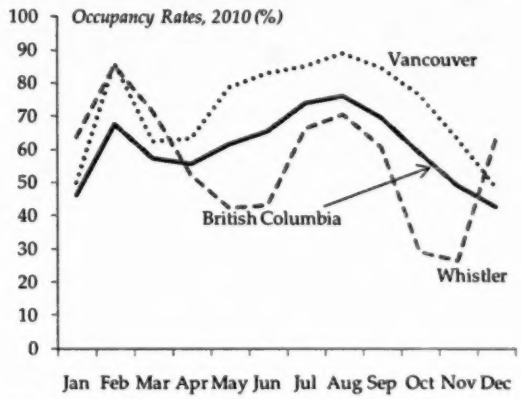



*Data Source: PKF Consulting Inc. & BC Stats*

Focusing on the month-to-month movements in hotel occupancy rates for these two cities yields some insights into understanding the different annual results.

Both Vancouver and Whistler registered large increases in hotel occupancy rates in February. In Vancouver, the rate reached 86.0% while Whistler's occupancy rate rose to 85.1%. However, the increase in February marked the peak for that year and occupancy rates in Whistler during the summer season were not strong enough to offset lulls in the spring and fall seasons. In Vancouver, on the other hand, hotel occupancy rates dipped only slightly in the spring and rose quickly to meet the higher summer season demand, only falling once the fall and winter had arrived.

*Vancouver and Whistler posted large increases in hotel occupancy rates during the Olympics*




*Data Source: PKF Consulting Inc. & BC Stats*

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also on the Internet at www.bcstats.gov.bc.ca or choose RSS

# BC at a glance . . .

| POPULATION (thousands) | Jan 1/2011 | % change on one year ago |
|---|---|---|
| BC | 4,554.1 | 1.2 |
| Canada | 34,278.4 | 1.1 |
| **GDP and INCOME (Released Nov 4)** | | |
| *(BC - at market prices)* | 2009 | % change on one year ago |
| Gross Domestic Product (GDP) *($ millions)* | 191,006 | -3.4 |
| GDP *($ 2002 millions)* | 161,851 | -1.8 |
| GDP *($ 2002 per Capita) (reflects revised pop)* | 36,287 | -3.5 |
| Personal Disposable Income *($ 2002 per Capita)* | 25,374 | -1.9 |
| **TRADE ($ millions, seasonally adjusted)** | | % change on prev. month |
| Manufacturing Shipments - Jan 2011 | 3,157 | 3.2 |
| Merchandise Exports - Jan 2011 | 2,676 | 1.2 |
| Retail Sales - Jan 2011 | 4,776 | -0.4 |
| **CONSUMER PRICE INDEX** | % change on | 12-month avg |
| *(all items - Feb 2011)* | one year ago | % change |
| BC | 1.8 | 1.6 |
| Vancouver | 1.8 | 1.9 |
| Victoria | 1.6 | 1.2 |
| Canada | 2.2 | 1.9 |
| **LABOUR FORCE (thousands)** | | |
| *(seasonally adjusted)* | Mar 2011 | % change on prev. month |
| Jobs Created (-Lost) - BC | 3.5 | |
| Labour Force - BC | 2,464.0 | -0.6 |
| Employed - BC | 2,264.0 | 0.2 |
| Unemployed - BC | 200.0 | -8.1 |
| | | Feb 2011 |
| Unemployment Rate - BC *(percent)* | 8.1 | 8.8 |
| Unemployment Rate - Canada *(percent)* | 7.7 | 7.8 |
| **INTEREST RATES (percent)** | Apr 6/2011 | Apr 7/2010 |
| Prime Business Rate | 3.00 | 2.25 |
| Conventional Mortgages - 1 year | 3.70 | 3.60 |
| - 5 year | 5.69 | 5.85 |
| **US-CANADA EXCHANGE RATE** | Apr 6/2011 | Apr 7/2010 |
| *(avg. noon spot rate)* Cdn $ per US $ | 0.9588 | 1.0030 |
| *(closing rate)* US $ per Cdn $ | 1.0412 | 0.9949 |
| **AVERAGE WEEKLY WAGE RATE** | | |
| *(industrial aggregate - dollars)* | Mar 2011 | % change on one year ago |
| BC | 827.55 | 0.9 |
| Canada | 836.77 | 2.9 |

**SOURCES:**

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

## Canada Votes – Know Your Riding

On May 2nd Canadians head to the polls. Our Federal Electoral District profiles will help you to understand the characteristics that define your constituency.

http://www.bcstats.gov.bc.ca/data/cen06/profiles/detailed/ch_fed.asp

## BC Post-Secondary Student Outcomes - Trends in Employment

Every year, respondents to the Diploma, Associate Degree, and Certificate Student Outcomes (DACSO) Survey are asked a series of questions about their current employment. This paper looks at trends in employment characteristics between 1999 and 2009. The analysis uses data from approximately 6,100 to 8,200 employed former students from Applied programs per year and 750 to 1,600 employed former Arts and Sciences students per year. For more information on BC Student Outcomes, visit BC Student Outcomes

http://outcomes.bcstats.gov.bc.ca/Libraries/DACSO_Papers/Trends_in_Employment_pdf.pdf

## BC Post-Secondary Student Outcomes – Without a Trace

The report, Without a Trace - An Examination of Former Post-Secondary Students Who Left the System Without a Credential and Did Not Return, is based on 5,036 completions of the Short Stay Early Leaver Student Outcomes Survey, conducted over the summer of 2009. Respondents from 24 B.C. public post-secondary institutions - research universities, teaching universities, colleges, and institutes - participated in the project. For more information on BC Student Outcomes, visit BC Student Outcomes

http://outcomes.bcstats.gov.bc.ca/Libraries/SSELSO/SSEL_report_Final_pdf.pdf

## Released this week by BC Stats

- Tourism Sector Monitor, March 2011
- Labour Force Statistics, March 2011
- Earnings & Employment Trends, March 2011

## Next week

- Exports, February 2011

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